



Dear Property Owner:

The administrative appeal process in Arizona allows a property owner to request a review of the Assessor's determination of the *full cash value* (FCV) and/or the legal classification of the property, but not of the *limited property value* (LPV). In the 2012 general election Proposition 117 was a voter approved initiative which limits the increase of the Limited Property Value to 5% per year which is the **sole** value used to calculate Primary and Secondary taxes. This became law in 2015; as a property owner, no matter how high your FCV increases as a result of market conditions, your LPV will be limited to a 5% increase per year, unless there has been an addition or deletion to your property.

To review the appeal process, let's take a look at a simplified timeline for the Assessor's 2017 Notice of Value (NOV) and Treasurer's 2017 Tax Bill...

- **Market Conditions:** The Assessor reviews the market conditions from the middle of 2014 to middle of 2015 to determine the property valuation for the 2017 Tax Bill. Property values are determined almost two and a half (2 ½) years before the Treasurer sends the Tax Bill.
- **Notice of Value (NOV):** By law (A.R.S. § 42-15101), the Assessor must send the 2017 NOV between January 1- March 1, 2016 (the 2017 NOV was mailed on February 19, 2016).
- **Tax Bill:** The Treasurer sends the 2017 Tax Bill in September 2017 (a year and a half after the Assessor sent the 2017 NOV and two and a half years from the market conditions which determined this value).

There are two (2) ways to appeal your property valuation from the Assessor...

1) **Assessor Level Appeal** (A.R.S. § 42-15104 and § 42-16051)

If a property owner feels the Assessor's 2017 NOV is too high or otherwise improperly valued they have the right to file an appeal. Appeal forms can be found at www.maricopa.gov/Assessor/PropertyValueAppeals.gov

Deadline: The Petition for Review of Real Property Valuation (your appeal) must be filed within 60 days from the date the Assessor mailed the 2017 Notice of Value. Meaning, the deadline to file an appeal for this tax year is on/or before April 19, 2016. The Assessor must answer all petitions for the 2017 NOV on/or before August 15, 2016.

If the property owner is not satisfied with the Assessor's decisions they can file with the State Board of Equalization.

a. **State Board of Equalization (SBOE):**

At this level, a hearing will be scheduled and the issue will be brought in front of a mediator who hears from both the property owners and the Assessor's office. The SBOE makes the final decision on the value.

Deadline: To appeal at SBOE you must file within twenty-five (25) days from the date of the Assessor's Appeal decision.

More information can be found at www.sboe.state.az.us

The SBOE must provide decisions to property owners for the 2017 NOV on/or before by October 15, 2016.



2017 VALUATION, APPEAL AND TAXATION PROCESS

2) **Tax Court** (A.R.S. § 42-16201):

If you missed the Assessor Level deadline or just want to go directly to court and bypass the administrative process, you have the right to file with the Arizona Tax Court or Small Claims Court (on all residential property and on values under \$2 million). Commercial, land and Agriculture properties valued over \$2 million are filed in Superior Court.

Deadline: You must file on/ or before December 15th of the same year you received your Notice of Value (not the tax year that the value is for). For the 2017 NOV you have until December 15, 2016 to file.

Information on this process can be found at...

- Tax Court or Small Claims Court call 602-506-8297, 125 West Washington Phoenix, AZ.
- Superior Court www.superiorcourt.maricopa.gov

Once the appeals process is complete, the Assessor makes corrections to the tax roll based upon the appeal decisions and sends the values to each taxing jurisdiction (cities, schools, community colleges and special districts such as fire and health, etc.). Each jurisdiction (listed on your tax bill) must publish a budget that estimates their spending and what they expect to collect in taxes, and then hold hearings to solicit taxpayer feedback. This budget process occurs between February and July of each year.

On the third Monday in August, 2016 the Maricopa County Board of Supervisor's adopts the tax rates from all jurisdictions. This allows the Treasurer to start the process of collecting property taxes. The Treasurer's office will calculate the tax bill for each individual property owner based on your 2016 NOV that was mailed to you February, 2015 and will mail your 2016 Tax Bills in September 2016.

By law, neither the Assessor, nor the Tax Court, are able to accept appeals for any previous notice of values after the original deadlines as listed above.

There are only two exceptions to appeal deadlines (A.R.S. § 42-16205):

- 1) An appeal to court from the SBOE or a county board of equalization relating to changes in assessments under A.R.S. § 42-15105 due to new construction, additions to or deletion from assessment parcels or changes in property use that occur after September 30th of the preceding year and before October 1st of the valuation year shall be filed within sixty (60) days after the date of mailing the decision.
- 2) A new owner of a property that was valued by the assessor and whose valuation or legal classification was not appealed by the former owner of the property may appeal the valuation or legal classification to the **tax court** on/or before December 15th of the year in which the taxes are levied.

We hope that this letter has clarified the Arizona property valuation, appeal and taxation process for you. If you have any questions or need further assistance please contact the Maricopa County Assessor at 602-506-3406

Thank you for this opportunity to serve you.

Maricopa County Assessor